

Spices market Overview

APRIL
2022

A monthly summary of the crop and market conditions of various spice crops from growing regions.



BLACK PEPPER

Global Market Scenario:

■ Black pepper markets across all origins reported a stable price in the month of March 2022. Spice exports were also affected due to the Russia - Ukraine war and due to the resurgence of the pandemic in China.

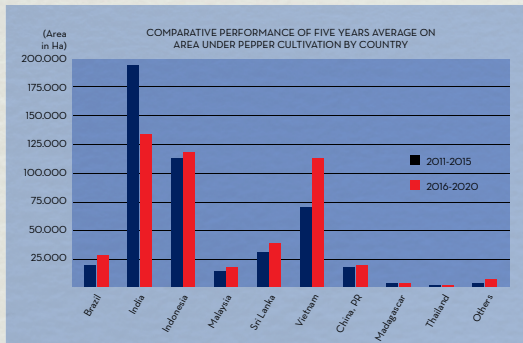
■ Indian pepper prices have shown a declining trend towards the second half of March. Good arrivals from new crop and less demand resulted in the prices drop.

■ Black pepper market prices in Indonesia were stable during March even though the stocks were limited at domestic markets.

■ The Srilankan prices were also steady during the month inspite of less availability. The current financial crunch also had an impact on the prices to remain at such levels.

■ The Domestic and International prices of Vietnam pepper remained steady during the month as arrivals of new crop has started increasing.

BLACK PEPPER: ORIGIN-WISE CULTIVATION AREA IN HA



As per Sybil Agri reports, Vietnam pepper production is estimated to reach 200,000 tons in 2022. Brazil would produce around 105,000 tons of pepper while India would produce around 60,000 tons. Pepper production in Indonesia is estimated to be lower with 50,000 - 60,000 tons. In 2022, total output is estimated to reach 520,000 tons with an inventory of around 50,000 tons. As a result, global output is expected to reach 570,000 tons in 2022.

BLACK PEPPER: ORIGIN-WISE PRODUCTION IN MT

Country	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
Brazil	33,000	30,200	32,500	37,500	42,000	40,000	62,000	68,500	76,000	91,200
India	46,900	41,500	63,000	36,000	69,000	47,500	55,500	62,000	46,500	58,800
Indonesia	30,000	55,000	37,500	27,000	49,000	42,000	33,000	28,000	30,000	33,000
Malaysia	18,000	16,100	15,000	16,500	17,000	17,200	17,500	17,723	14,149	13,776
Sri Lanka	10,829	18,589	27,900	14,029	28,027	18,335	29,145	19,935	19,110	19,800
Vietnam	98,000	97,000	105,000	128,760	105,000	150,000	175,000	180,000	239,200	216,000
China, PR.	300	-	-	1000	1000	1000	1000	2000	2000	2000
Thailand	4,395	4,000	6,000	6,000	5,500	5,000	5,000	5,000	5,000	5,000
Madagascar	4,092	4,000	4,000	4,000	4,000	3,500	4,000	4,000	4,000	4,500
Cambodia	1,500	5,400	6,000	7,500	9,800	11,800	20,000	20,551	16,586	18,000
Ecuador & Others	3,250	3,500	3,800	2,500	2,200	3,700	5,000	6,000	5,000	5,000
TOTAL	250,266	275,289	300,700	280,789	332,527	340,035	407,145	413,709	457,545	467,076

INDIA

Pepper harvesting in India is at its last phase and it is estimated to be over by the second half of April. Hence, pepper production in India during 2022 is estimated to be around 55000 - 60000 tons.

Market Trend:

Indian pepper prices continued its declining trend during March due to good arrivals and less demand from exporters. Ungarbled pepper was traded at Rs. 490 - 500/kg at domestic markets whereas, garbled pepper was traded at Rs. 530/kg levels.



INDONESIA

The latest reports on black pepper crop suggest that the 2022-year pepper production would be not more than 50000 - 60000 tons due to adverse weather conditions and widespread crop damages in the growing area. The next Crop harvesting is expected to start from June onwards.

Market trend:

Black pepper markets in Indonesia responded steady during March, even though the stocks were limited at domestic markets. Shipments were largely affected due to limited vessel connectivity and exorbitant freight increase. White pepper light berry prices increased continuously due to less stocks and high domestic demand.



VIETNAM

Pepper harvesting in Vietnam is almost 90% complete and the remaining is expected to be over by the end of April. Total production is estimated to be around 2,00,000 tons.

Market trend:

Pepper arrivals have increased at domestic markets in Vietnam. Due to lack of aggressive coverages from China, Vietnam pepper prices remained at steady levels during March 2022. Light pepper availability was limited during the month and offers were less for the light berries.



SRI LANKA

Pepper harvesting in Sri Lanka is expected to start in April 2022. It is being reported that farmers have started harvesting light berries from new crop and as per the latest production estimates, Srilankan production is estimated to be around 17000 - 18000 tons during 2022 season.

Market trend:

Black Pepper markets in Sri Lanka was steady during the month of March. The farmers and traders were selling their stocks in markets due to the financial crunch and not holding on to any inventory and hence the prices were steady. Prices for light pepper berries are expected to remain steady in the short and medium term.



CHILLI

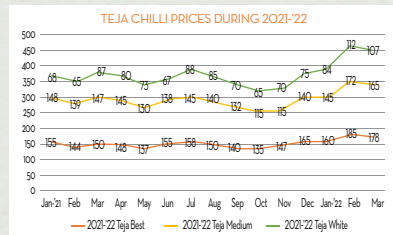
Chilli harvesting is complete in almost all chilli producing states of India. The Post-harvest operations at farms continued in major chilli producing states like Andhra Pradesh and Telangana.

Market trend:

Chilli arrivals to markets have decreased considerably and are expected intermittently till the end of April. The farmers and traders are selling their products continuously in the market due to very good prices and are not holding on to their inventory. The cold storage inventory in all the chilly growing regions is only filled up to 50-60 % as the arrivals are very less from both traders and farmers.

Current chilli prices at markets:

Teja red chilli (premium)	: Rs. 180 - 185/kg
341/334 chilli	: Rs. 150 - 180/kg
5531 red	: Rs. 150 - 175/kg



PAPRIKA

China

The paprika market remained stable. There are indications that the government will increase the planting area for wheat in Xinjiang province from 15% to 20%. Hence for the next new season growing area under sweet pepper will be reduced.

India

Paprika harvesting is complete in India and arrivals to markets have decreased. Current arrivals are around 60000 - 70000 bags per market. The current quality of paprika RM has deteriorated in terms of colour, value and size of chillies.

Market trend:

The Paprika / medium colour chillies including KDL, Dubby and other varieties prices continued its declining trend due to less demand from oleoresin and grinding manufacturers. Since the prices have move down, traders and farmers have started keeping their stocks in cold storages. Prices are expected to be steady during short and medium term.

Current Paprika chilli prices:

Dabbi Delux	: Rs. 320 - 350/Kg
Dabbi Best	: Rs. 250 - 300/Kg
KDL Super Deluxe	: Rs. 300 - 320/kg
2043 Hybrid	: Rs. 200 - 250/kg
DD medium	: Rs. 150 - 200/kg.

TURMERIC

The initial forecast of production was high as Turmeric sowing increased by 10-15% across India. However, incessant and widespread rains during September to November led to crop damage almost by 15-20% in Maharashtra and Andhra Pradesh.

Turmeric production during 2022 season is estimated to be around 7 - 7.20 million bags (3,75,000- 4,05,000 MT), almost short by 20% against 2021 crop. Carryover stock is estimated to be around 2.30 million bags (1,23,000 MT) during February 2022. As per estimates, total supply for the new season would be around 9 - 9.30 million bags (485,000 - 510,000 MT)

including carryover stocks. India consumes more than 80% of the total turmeric production.

Market trend:

The Regular finger turmeric prices declined at domestic markets during March 2022 due to good arrivals from new crop and less export demand. Yellow spice lost its colour and flavour at domestic markets in terms of price when curcumin prices declined in international markets. Currently, finger turmeric is traded at Rs. 75 - 82/kg levels.

TURMERIC KOCHA & PANANGALI

Kocha availability during 2022 is estimated to be around 1250 - 1300 tons against a normal production of 1500 - 1600 tons.

Panangali production is estimated to be around 700 - 800 tons from the regions of Tamil Nadu and Karnataka. Prices remain almost like Kocha prices and will be available from March onwards.

Indonesia

Indonesian turmeric availability is limited. The next season is expected to begin from June - July 2022. Crop is reported to be normal.



DRY GINGER

India

Fresh ginger harvesting is going on in all producing states and is expected to complete by end of April. Dry ginger arrivals have also increased in the domestic markets.

Market trend:

Dry ginger prices were steady at domestic markets especially in Shimoga which is the major market for dry ginger in India. Prices are expected to be steady during medium term.



NUTMEG & MACE

The Nutmeg harvesting in India would likely start during June and is expected to last till September 2022. Nutmeg crop is estimated to be short by 20 - 30 % according to farm level reports due to bad weather conditions. The overall crop production of Nutmeg has been stagnant in India recently. One reason behind it is the lack of new planting of the Nutmeg crop in the recent years which has affected the overall production since 2018.

Indonesian BWP grade nutmeg prices continued its firm trend due to shortfall in production and limited stock. Aggressive coverage by China was also one of the reasons for price increase. FAQ quality

Indonesian mace prices remained at USD 21000 - 22000/ ton.

CELERY

The 2022 Celery crop is expected to be normal like last year. Carry forward stocks are reported to be more this year due to lack of export demand.



CASSIA

Cassia availability is reported to be good at Indonesian markets. Prices were almost steady in Indonesian markets during the month.

Disclaimer : Please note some of the information and images used have been taken from other sources. The crop market overview is according to the best of our knowledge. Please note that there can be deviations in the forecast from the actual market conditions.

PRICES FORECAST FOR SHORT AND MEDIUM TERM

SPICES RM	VARIETY	SHORT TERM	MEDIUM TERM
Black Pepper	Sri Lankan	Steady	Steady
	Indonesian	Steady	Steady
	Vietnam	Steady	Steady
Chilli	Teja Red	High	Steady
Turmeric	Erode - Panangali	Steady	Steady
Ginger	Shimoga	Steady	Steady

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MANE KANCOR INGREDIENTS PRIVATE LIMITED

P: +91 484 6730 300 | E: enquirykancor@mane.com | W: www.manekancor.com